GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:134
ANSWERED ON:08.07.2014
NATIONAL AGRICULTURE INSURANCE SCHEME
Meghwal Shri Arjun Ram

Will the Minister of AGRICULTURE be pleased to state:

(a) the salient features of National Agricultural Insurance Scheme;

(b) whether the Government proposes to make changes in the National Agriculture Insurance Scheme;

(c) if so, the details thereof and the reasons therefor;

(d) whether the Government proposes to make the village as the unit area of insurance under the scheme; and

(e) if so, the details thereof along with the steps taken or being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. SANJEEV KUMAR BALYAN)

(a): The salient features of National Agricultural Insurance Scheme (NAIS) are as under:

the scheme is voluntary for the States/UTs;

scheme is available to all farmers − loanee and non-loanee both;

coverage of all food crops (cereals, millets & pulses), oilseeds and annual commercial/horticultural crops in respect of which past yield data is available for adequate number of years;

premium rates varies between 1.5% to 3.5% of sum insured for food & oilseed crops;

incase of annual commercial/horticultural crops and higher sum insured & indemnity level than that of normal for food & Oilseed crops, actuarial rates of premium are charged;

10% premium subsidy for small & marginal farmers;

Financial liability except where actuarial premium is charged, is shared between the Central and State Governments on 50:50 basis.

(b) & (c): Based on evaluation studies, experience gained through implementation and feed-back of the stakeholders, a restructured central sector scheme in the name of 'National Crop Insurance Programme' (NCIP) has been introduced by merging Pilot Modified National Agricultural Insurance Scheme (MNAIS), Pilot Weather Based Crop Insurance Scheme (WBCIS) & Coconut Palm Insurance Scheme (CPIS) with various improvements/changes for implementation throughout the country from Rabi 2013-14. The NAIS was rolled back from Rabi 2013-14. However, on the basis of requests received, some States, have been allowed to implement the NAIS during Rabi 2013-14 and 2014-15.

(d) & (e): Unit Area of Insurance has been reduced to village/village Panchayat level under MNAIS component of NCIP and States implementing MNAIS at Village/Village Panchayat level are entitled for 50% reimbursement of incremental expenses on Crop Cutting Experiments from Government of India (GOI). States, which are unable to reduce insurance unit at village/village panchayat, will be allowed to implement at higher unit area level (upto a cluster of maximum 15 villages) with prior approval of GOI for first 3-5 years.